

THE UNITED
REPUBLIC OF
TANZANIA

PRIME MINISTER'S
OFFICE

**IMPROVING THE
FUNCTIONING OF
COMMODITY MARKETS IN
EASTERN AND SOUTHERN
AFRICA THROUGH WRS AND
MARKET-BASED
INTERVENTIONS**

WAREHOUSE RECEIPT SYSTEM AND ACCESS TO FINANCING

A CASE OF TANZANIA

AGRICULTURAL MARKETING SYSTEMS DEVELOPMENT (AMSDP)

A 7 YEARS GOVERNMENT PROGRAMME
(2003 – 2009) WITH A GOAL OF
IMPROVING THE LIVELIHOODS OF
RURAL POOR THROUGH INCREASED
INCOME GENERATION AND
ENHANCED FOOD SECURITY
OPPORTUNITIES)

FINANCIERS

- THE GOVERNMENT OF TANZANIA
- IFAD
- AfDB
- IRISH AID
- OTHERS

PROGRAMME COMPONENTS

- AGRICULTURAL MARKETING POLICY DEVELOPMENT
- PRODUCER EMPOWERMENT AND MARKETING LINKAGES
- FINANCIAL MARKETS SUPPORT SERVICES
- AGRICULTURAL MARKETING INFRASTRUCTURE DEVELOPMENT

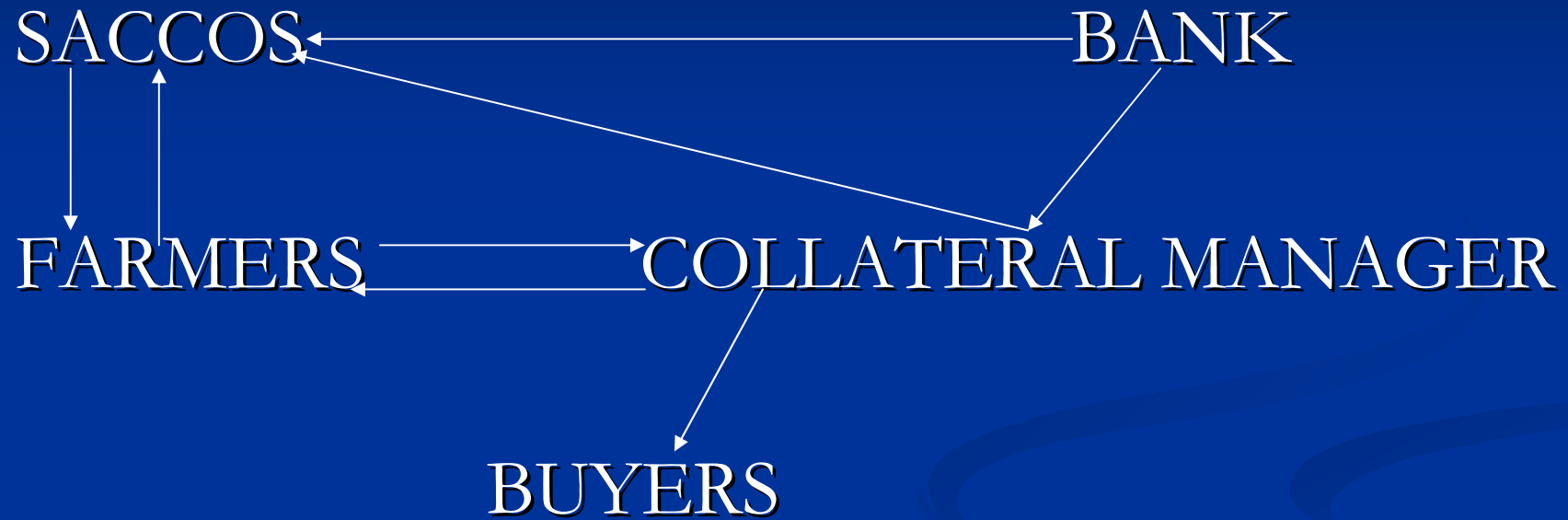
FINANCIAL MARKETS SUPPORT SERVICES

AMSDP) introduced Warehouse Receipt System in the Programme pilot areas.

OBJECTIVES

- i) To increase the level of commercial operations in rural areas through sustainable access to credit
- ii) Making small and medium rural commercial actors particularly farmers bankable
- iii) Enhancement of competition between traders in rural areas and thus contribute to an increase of producer prices at the farm-gate.

AMSDP WRS MODEL



WRS ACHIEVEMENTS

- ENACTMENT OF WRS ACT 2005
- LINKING SMALLHOLDER FARMERS WITH SACCOS/COMMERCIAL BANKS
- REDUCED POST HARVEST LOSSES
- IMPROVED PRODUCE QUALITY
- INCREASED FARM GATE PRICES
- REDUCED INTEREST RATES
- ENHANCED FOOD SECURITY

WRS CHALLENGES

- GOVERNEMENT CROSS BORDER TRADE RESTRICTIONS ON GRAINS
- LACK OF STRONG SACCOS
- LACK OF SUITABLE WAREHOUSES
- LACK OF NATIONAL PLATFORM FOR GRAINS
- POOR MARKET INFORMATION SYSTEM

THE WAY FORWARD

- INCREASED PRIVATE SECTOR PARTICIPATION
- ESTABLISHMENT OF NATIONAL PLATFORM FOR GRAINS/MIXED CROPS
- CAPACITY BUILDING TO SMALLHOLDER FARMERS
- POPULARISE THE WRS IN THE COUNTRY

CONCLUSION

WRS HAS A ROLE TO PLAY IN
MODERNISATION OF AGRICULTURAL
SYSTEMS BY FACILITATING THE
DEVELOPMENT OF MORE EFFICIENT
COMMODITY TRADE THROUGH THE
CREATION OF A COMMODITY-BASED
FINANCIAL INSTRUMENTS

THAK YOU